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59th annual ratio study compiled from the operating statements and balance sheets submitted by representative members of the printing industry, and computed by RGS Enterprises, Inc., 330-332 East 25th Street, Baltimore, Maryland 21218.

1982 Financial Ratios
All Printers by Product Specialty

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Printing Industries of America Inc.

Management Services Department
1730 North Lynn Street
Arlington, Virginia 22209

Edited and Prepared by H. R. Margolis Company
Certified Public Accountants
New York and Philadelphia (Bala Cynwyd)

Printed in U.S.A.

H. R. MARGOLIS COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

Offices:
PHILADELPHIA
NEW YORK

Dear Member of the Graphic Arts Community:

Again in 1982, it is our pleasure to present to you PIA's Financial Ratio Studies. This year, a total of 944 firms representing various segments of the graphic arts industry in the United States and Canada participated in these studies by responding to PIA's questionnaire on financial performance. Among these respondents, 238 firms may be considered "Profit Leaders," earning eight percent or greater pretax profits on sales. Such widespread participation has made these annual PIA Ratio Studies the most comprehensive financial reports available on the health of the graphic arts industry.

This book presents the financial status of graphic arts firms according to product specialty -- for example, Commercial and Advertising, Magazine and Periodical, Newspaper, etc. Readers can compare the data from their own firm's financial statements with similar data from other firms with the same product specialty in five areas: Operations based on Value Added and its Supporting Schedules, Operations based on Sales and its Supporting Schedules, Balance Sheet Ratios, Significant Facts, and Return on Investment.

We strongly believe in the importance of sharing this type of information among members of the graphic arts community and are proud to have played a role in compiling these studies. Moreover, we commend PIA and its staff for their continuing sponsorship of these studies and for the help that they have so graciously provided in their completion.

H. R. Margolis Company

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1982 is the 59th consecutive year in which Printing Industries of America, Inc. has collected, compiled and published detailed financial ratio information for members of the graphic arts community. The data presented each year provide a detailed and comprehensive picture of the financial status of the major segments of the graphic arts industries, as well as allowing individual firms to compare their annual performance with that of many other similar firms, including those which earn well above average profits. Ratio results for several different segments of our industry are available in book form. In 1982 these books include:

- All Printers by Sales Volume
  + Management Guide to the Ratios
- All Printers by Product Specialty
- Quick Printers
- Printers by Geographic Area
- Sheetfed Printers, by Size and Geographic Area
- Web Offset Printers, Heatset and Non-heatset
- Book Manufacturers
- Large Printers (over $10 million in sales)
- Specialists: Typographers
  Litho Prep Specialists
- Binders

If you are using the Ratios to analyze your company's performance, it is usually advisable to use the data from at least two of these books as standards of comparison. Such analysis is made much easier by participating in the Studies early each year and ordering an individual company computer printout, which compares a participant's ratios to those of companies which are similar in size, production equipment, markets and other key features. If using only the Ratio books, be careful in comparing your firm's performance to that of the "mixed bag" of printers whose results are summarized in *All Printers by Sales Volume*.

Please refer your questions on the PIA Ratio Studies to your nearest local PIA affiliated association, or to

Bill Howe
Director Management Services
Printing Industries of America, Inc.
1730 N. Lynn Street
Arlington, VA 22209 — 703-841-8136

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HOW THE NUMBERS ARE COMPUTED

The PIA Ratios are computed by the method of relative or common size. With this method each company's dollars are converted into a percentage to the total. Then these percentages are added in total and within a given sales class. This is a very simple way of avoiding what is known as self-weighting when various magnitudes are involved. With this method each company is given equal weight regardless of their size.

The following example illustrates how this calculation process eliminates the problem of the ratios' giving inordinate weight to the results of very large firms.

Firm	Sales	Factory Payroll	% of Sales: Firm's Ratio Factory Payroll	% of Sales: PIA Ratio Factory Payroll
A	$ 200,000	$ 60,000	30.0%	
B	500,000	100,000	20.0	
C	8,000,000	975,000	12.2	
			62.2% divided by 3 = 20.7%	

What is Value Added?

Value Added is a technical term for sales of your company's own manufacture. It is calculated as sales less material costs and outside purchases.

SALES		$100
LESS: MATERIALS		
Paper	$22	
Other chargeable materials	6	
Outside services	7	
		35
VALUE ADDED		$ 65

The relationship between Value Added and profit performance stems from one basic principle of accounting: Profit is achieved from sales of your company's own manufacture. To successfully use the Value Added concept in achieving profit objectives, your printing firm would be wise to do everything inside its own plant that it is capable of doing.

"Good Sales" and "Better Sales"

Within any relevant range of operations, for example, $800,000 to $1,000,000 of annual sales, a printing firm's total expenses do not significantly change. This means that inside sales -- those providing Value Added -- are the ones that pay overhead costs and provide a profit. What all printing firms should do then, is to maximize their Value Added.

Value Added

All sales, however, do not contribute equally to fixed costs and profits. While there are no "bad sales" in the printing industry, there are "good sales" and "better sales." Good sales are those that require more than an average amount of materials and outside services. Their Value Added comes from the mark-up on materials, cost center costs, and profit. However, such sales contribute little to cover fixed costs and to provide a profit. On the other hand, better sales require fewer materials and outside services and have a greater amount of the more critical inside sales. As a result, they pay more dollars to cover overhead and to provide a profit.

Profit and Loss Statements

In keeping with the Value Added concept, profit and loss statements are more meaningful when prepared on the basis of inside sales. Take, for example, the following two companies. One company has sales of $125,000 per month and produces $65,000 of Value Added. The other company has sales of $90,000 that provide $75,000 of Value Added. Even though its sales are lower, the second company yields $10,000 more with which to cover overhead. All too frequently, printing firms consider sales as the sole criterion of profit when, in fact, Value Added is always the better indicator.

Salesmen's Compensation

The concept of Value Added also has an important ramification as to how printing companies compensate their salesmen. A typical commission based on total sales dollars, regardless of Value Added, provides little motivation for salesmen to seek out better sales -- those with a higher percentage of Value Added. Furthermore, when salesmen do bring in the better sales, they are not properly rewarded for obtaining jobs that are particularly profitable. Basing compensation on Value Added is a much more equitable system for both the company and its salesmen.

Materials Mark-Up

Finally, Value Added gives printing firms a system with which to recover both direct and indirect overhead associated with materials mark-up handling. For example, if a printing firm's policy is to mark up the total cost of all jobs by 10 percent, it is ignoring the concept of Value Added. A sounder policy is to institute materials as a cost center and then to establish a mark up policy based on the material portion of the job.

ALL PRINTERS BY PRODUCT SPECIALTY

REPORT ON OPERATIONS - VALUE ADDED = 100%

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL		NEWSPAPER**
	ALL FIRMS	PROFIT LEADERS*	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
SALES OR VALUE OF PRODUCT PRODUCED	X	X	X	X	X
LESS: PAPER, OTHER CHARGEABLE MATERIALS AND OUTSIDE SERVICES	X	X	X	X	X
VALUE ADDED BY MANUFACTURE	100.00%	100.00%	100.00%	100.00%	100.00%
FACTORY PAYROLL	42.61	38.18	48.13	42.22	51.26
FACTORY EXPENSES	19.26	17.63	21.27	20.17	19.95
TOTAL FACTORY COST OF PRODUCT	61.87	55.81	69.40	62.39	71.21
GROSS PROFIT	38.13	44.19	30.60	37.61	28.79
ADMINISTRATIVE AND SELLING EXPENSES					
Administrative expenses	16.53	14.40	10.95	9.94	13.64
Selling expenses	12.71	11.23	8.43	8.24	4.62
TOTAL ADMINISTRATIVE AND SELLING EXPENSES	29.24	25.63	19.38	18.18	18.26
INCOME BEFORE INTEREST EXPENSE	8.89	18.56	11.22	19.43	10.53
Interest expense	3.32	2.14	4.16	3.12	3.49
OPERATING INCOME	5.57	16.42	7.06	16.31	7.04
Other income (expense)	1.45	2.23	1.04	2.10	1.42
INCOME BEFORE INCOME TAXES	7.02	18.65	8.10	18.41	8.46

* See page 10 for the definition of "Profit Leaders".
** Sample insufficient for Profit Leaders.

FINANCIAL		CATALOG AND DIRECTORY		TAG AND LABEL**	PACKAGING	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	ALL FIRMS	PROFIT LEADERS
X	X	X	X	X	X	X
X	X	X	X	X	X	X
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
47.18	44.94	41.47	39.46	44.34	44.99	43.87
16.43	11.46	19.98	18.69	19.40	19.75	15.15
63.61	56.40	61.45	58.15	63.74	64.74	59.02
36.39	43.60	38.55	41.85	36.26	35.26	40.98
12.06	10.91	13.03	9.84	15.88	14.40	9.68
12.20	11.83	6.16	4.35	14.55	12.24	5.76
24.26	22.74	19.19	14.19	30.43	26.64	15.44
12.13	20.86	19.36	27.66	5.83	8.62	25.54
2.56	2.15	4.92	4.88	2.94	3.66	3.46
9.57	18.71	14.44	22.78	2.89	4.96	22.08
(0.09)	1.42	1.35	1.68	1.89	1.85	1.94
9.48	20.13	15.79	24.46	4.78	6.81	24.02

ALL PRINTERS BY PRODUCT SPECIALTY

SUPPORTING SCHEDULES - VALUE ADDED = 100%

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL		NEWSPAPER**
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
FACTORY PAYROLL					
Salaries - executive	3.24%	3.14%	2.77%	1.89%	1.90%
Direct wages	28.81	26.27	30.02	24.06	38.00
General factory salaries and wages	4.09	3.28	6.30	9.02	2.30
Packing, shipping and delivery wages	1.31	1.05	1.55	0.98	2.98
Payroll taxes	2.49	1.92	2.97	2.40	3.07
Employee benefits	2.67	2.52	4.52	3.87	3.01
TOTAL FACTORY PAYROLL	42.61	38.18	48.13	42.22	51.26
FACTORY EXPENSES					
Fixed Expenses					
Depreciation - real estate	0.40	0.42	0.61	0.28	1.02
Depreciation - other	4.50	4.48	5.09	5.67	4.74
Taxes - real estate	0.30	0.31	0.27	0.26	0.17
Taxes - other	0.28	0.27	0.30	0.24	0.34
Insurance	0.93	0.78	0.53	0.43	0.60
Building rent	2.45	2.17	1.02	1.04	0.99
Utilities - heat, light, etc.	1.73	1.53	2.37	2.20	1.42
Equipment rental	0.87	0.70	0.58	0.35	0.34
Total Fixed Expenses	11.46	10.66	10.77	10.47	9.62
Other Expenses					
Factory supplies and expense	3.07	2.73	4.57	4.42	3.44
Packing, shipping and delivery expense	1.67	1.59	1.78	2.00	3.27
Repairs and maintenance	1.98	1.75	2.58	2.44	3.34
Other factory expenses	1.08	0.90	1.57	0.84	0.28
Total Other Expenses	7.80	6.97	10.50	9.70	10.33
TOTAL FACTORY EXPENSES	19.26	17.63	21.27	20.17	19.95
ADMINISTRATIVE EXPENSES					
Salaries - executive	5.06	4.42	2.75	2.54	3.57
Salaries - office	4.23	3.66	2.70	1.76	3.82
Payroll taxes	0.57	0.40	0.38	0.32	0.56
Employee benefits	0.83	0.69	0.78	1.03	0.78
Bad debts	0.67	0.52	0.56	0.35	0.69
Office supplies and expenses	0.84	0.80	0.62	0.48	0.53
Professional fees	0.92	0.91	0.66	0.63	1.28
Taxes - business	0.32	0.24	0.11	0.13	0.44
Telephone	0.77	0.67	0.59	0.62	0.62
Other administrative expenses	2.32	2.09	1.80	2.08	1.35
TOTAL ADMINISTRATIVE EXPENSES	16.53	14.40	10.95	9.94	13.64
SELLING EXPENSES					
Salaries - executive	2.16	2.22	0.98	0.88	1.10
Salaries and commissions - salesmen	5.68	4.63	3.32	3.36	1.18
Salaries - sales office clerical	0.85	0.88	1.10	0.72	0.32
Payroll taxes	0.42	0.33	0.32	0.26	0.15
Employee benefits	0.46	0.43	0.43	0.40	0.26
Advertising	0.74	0.63	0.38	0.45	0.47
Travel and entertainment	1.47	1.23	0.98	0.98	0.62
Other selling expenses	0.93	0.88	0.92	1.19	0.52
TOTAL SELLING EXPENSES	12.71	11.23	8.43	8.24	4.62

** Sample insufficient for Profit Leaders.

FINANCIAL		CATALOG AND DIRECTORY		TAG AND LABEL**	PACKAGING	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	ALL FIRMS	PROFIT LEADERS
1.62%	1.08%	4.80%	5.75%	3.32%	3.43%	3.09%
30.30	27.73	27.94	26.06	25.20	28.24	29.73
6.93	7.68	3.29	2.15	7.43	3.47	3.53
1.08	0.93	0.79	0.37	0.88	1.68	1.02
2.34	2.67	2.64	2.32	2.67	2.60	1.24
4.91	4.85	2.01	2.81	4.84	5.57	5.26
47.18	44.94	41.47	39.46	44.34	44.99	43.87
0.31	0.23	0.33	0.54	0.61	0.27	0.37
2.61	2.42	4.83	3.78	4.04	3.93	2.81
0.25	0.04	0.22	0.36	0.55	0.55	0.91
0.24	0.37	0.09	0.08	0.44	0.27	0.03
0.32	0.28	0.73	0.66	1.04	0.43	0.19
1.62	1.74	1.78	0.44	1.91	1.74	0.96
1.24	0.92	2.35	1.55	2.03	2.03	2.06
0.69	0.78	1.43	1.67	0.37	0.27	0.00
7.28	6.78	11.76	9.08	10.99	9.49	7.33
3.48	1.59	2.71	4.17	2.63	3.47	3.18
1.12	0.37	2.09	2.70	1.62	2.90	0.09
2.31	1.17	2.85	2.62	2.20	2.19	2.37
2.24	1.55	0.57	0.12	1.96	1.70	2.18
9.15	4.68	8.22	9.61	8.41	10.26	7.82
16.43	11.46	19.98	18.69	19.40	19.75	15.15
2.71	2.56	3.46	4.54	5.14	4.08	3.92
2.58	1.90	2.79	1.15	3.56	3.33	1.38
0.25	0.17	0.34	0.22	0.80	0.48	0.12
0.56	0.38	0.54	0.24	1.25	1.64	1.30
0.89	1.19	0.50	0.52	0.37	0.59	0.53
0.86	0.64	0.91	0.33	0.75	0.54	0.36
1.13	0.85	0.82	0.43	0.73	0.88	0.49
0.25	0.12	0.17	0.11	0.12	0.17	0.00
0.64	0.60	0.58	0.31	0.72	0.69	0.27
2.19	2.50	2.92	1.99	2.44	2.00	1.31
12.06	10.91	13.03	9.84	15.88	14.40	9.68
0.95	1.85	0.27	0.18	3.16	2.90	1.41
6.83	5.52	2.60	2.13	6.15	3.92	1.43
0.74	0.70	0.95	0.76	0.76	1.19	0.73
0.23	0.18	0.25	0.18	0.37	0.37	0.04
0.59	0.73	0.08	0.07	0.33	0.69	0.35
0.75	0.79	0.21	0.24	0.31	0.51	0.06
1.11	1.07	0.94	0.19	1.62	1.62	1.13
1.00	0.99	0.86	0.60	1.85	1.04	0.61
12.20	11.83	6.16	4.35	14.55	12.24	5.76

ALL PRINTERS BY PRODUCT SPECIALTY

REPORT ON OPERATIONS - SALES = 100%

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL		NEWSPAPER**
	ALL FIRMS	PROFIT LEADERS*	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
SALES OR VALUE OF PRODUCT PRODUCED	100.00%	100.00%	100.00%	100.00%	100.00%
FACTORY COST OF PRODUCT					
MATERIAL					
Paper	22.25	21.78	28.89	24.95	37.82
Other chargeable materials	5.24	4.52	6.33	7.12	6.21
Outside services	8.68	8.69	5.02	3.58	1.92
TOTAL MATERIAL	36.17	34.99	40.24	35.65	45.95
FACTORY PAYROLL	27.15	24.81	28.52	26.74	27.35
FACTORY EXPENSES	12.29	11.48	12.71	13.16	11.07
TOTAL FACTORY COST OF PRODUCT	75.61	71.28	81.47	75.55	84.37
GROSS PROFIT	24.39	28.72	18.53	24.45	15.63
ADMINISTRATIVE AND SELLING EXPENSES					
Administrative expenses	10.[illegible]	9.50	6.62	6.67	7.67
Selling expenses	8.07	7.34	5.07	5.42	2.68
TOTAL ADMINISTRATIVE AND SELLING EXPENSES	18.71	16.84	11.69	12.09	10.35
INCOME BEFORE INTEREST EXPENSE	5.68	11.88	6.84	12.36	5.28
Interest expense	2.09	1.35	2.45	1.97	1.67
OPERATING INCOME	3.59	10.53	4.39	10.39	3.61
Other income (expense)	0.89	1.36	0.61	1.37	0.86
INCOME BEFORE INCOME TAXES	4.48	11.89	5.00	11.76	4.47

SUPPORTING SCHEDULES - SALES = 100%

OTHER CHARGEABLE MATERIALS					
Ink	1.49%	1.53%	3.39%	4.27%	2.96%
Film	1.23	1.07	0.98	0.53	1.03
Plates	1.24	0.95	1.27	1.17	1.11
Other chargeable materials	1.28	0.97	0.69	1.15	1.11
TOTAL OTHER CHARGEABLE MATERIALS	5.24	4.52	6.33	7.12	6.21
OUTSIDE SERVICES					
Composition	1.09	0.93	0.19	0.21	0.00
Offset preparation	1.57	2.01	0.69	0.54	0.40
Printing	2.17	2.29	1.24	0.72	0.64
Binding	2.01	2.19	1.47	0.86	0.33
Other outside services	1.84	1.27	1.43	1.25	0.55
TOTAL OUTSIDE SERVICES	8.68	8.69	5.02	3.58	1.92

* "Profit Leaders" are those firms which earned 8% or greater pretax profits on sales.
** Sample insufficient for Profit Leaders.
*** Information not submitted.

FINANCIAL		CATALOG AND DIRECTORY		TAG AND LABEL**	PACKAGING	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	ALL FIRMS	PROFIT LEADERS
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
13.59	10.95	19.91	13.05	26.57	32.84	39.55
6.77	8.14	17.78	24.59	5.69	5.03	6.60
7.76	6.72	1.15	0.42	4.07	4.53	5.42
28.12	25.81	38.84	38.06	36.33	42.40	51.57
33.99	33.52	25.80	24.82	28.43	25.89	21.34
11.50	8.28	12.43	11.98	12.30	11.44	7.38
73.61	67.61	77.07	74.86	77.06	79.73	80.29
26.39	32.39	22.93	25.14	22.94	20.27	19.71
8.57	7.90	8.06	6.98	10.09	8.37	4.61
8.83	8.89	3.68	2.82	9.24	7.22	2.88
17.40	16.79	11.74	9.80	19.33	15.59	7.49
8.99	15.60	11.19	15.34	3.61	4.68	12.22
1.85	1.69	2.48	2.21	1.85	2.11	1.64
7.14	13.91	8.71	13.13	1.76	2.57	10.58
(0.14)	0.75	0.65	1.21	1.33	1.05	0.91
7.00	14.66	9.36	14.34	3.09	3.62	11.49
1.10%		11.08%		2.50%	2.37%	2.94%
1.31		1.24		0.52	0.35	0.00
3.20		1.77		0.95	0.59	0.77
1.16		3.69		1.72	1.72	2.89
6.77	***	17.78	***	5.69	5.03	6.60
0.51		0.00	0.42%	0.58	0.22	0.09
0.82		0.29	0.00	0.99	0.68	0.51
1.01		0.04	0.00	1.46	1.17	1.24
2.91		0.33	0.00	0.51	0.47	0.07
2.51		0.49	0.00	0.53	1.99	3.51
7.76	***	1.15	0.42	4.07	4.53	5.42

SUPPORTING SCHEDULES - SALES = 100%

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL		NEWSPAPER**
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
FACTORY PAYROLL					
Salaries - executive	2.08%	2.05%	1.63%	1.16%	0.94%
Direct wages	18.32	17.02	17.75	15.19	20.40
General factory salaries and wages	2.62	2.16	3.80	5.78	1.22
Packing, shipping and delivery wages	0.83	0.67	0.90	0.66	1.49
Payroll taxes	1.60	1.27	1.78	1.56	1.66
Employee benefits	1.70	1.64	2.66	2.39	1.64
TOTAL FACTORY PAYROLL	27.15	24.81	28.52	26.74	27.35
FACTORY EXPENSES					
Fixed Expenses					
Depreciation - real estate	0.26	0.27	0.35	0.18	0.53
Depreciation - other	2.84	2.89	3.03	3.63	2.67
Taxes - real estate	0.19	0 19	0.16	0.17	0.10
Taxes - other	0.18	0.17	0.18	0.16	0.20
Insurance	0.60	0.52	0.32	0.28	0.32
Building rent	1.58	1.43	0.61	0.69	0.49
Utilities - heat, light, etc.	1.10	0.99	1.41	1.40	0.75
Equipment rental	0.57	0.50	0.34	0.23	0.18
Total Fixed Expenses	7.32	6.96	6.40	6.74	5.24
Other Expenses					
Factory supplies and expense	1.96	1.77	2.72	2.81	1.86
Packing, shipping and delivery expense	1.06	1.03	1.13	1.49	2.06
Repairs and maintenance	1.26	1.14	1.52	1.59	1.76
Other factory expenses	0.69	0.58	0.94	0.53	0.15
Total Other Expenses	4.97	4.52	6.31	6.42	5.83
TOTAL FACTORY EXPENSES	12.29	11.48	12.71	13.16	11.07
ADMINISTRATIVE EXPENSES					
Salaries - executive	3.29	2.95	1.68	1.70	1.89
Salaries - office	2.72	2.41	1.60	1.12	2.32
Payroll taxes	0.37	0.26	0.23	0.21	0.33
Employee benefits	0.53	0.47	0.47	0.67	0.47
Bad debts	0.42	0.34	0.32	0.24	0.37
Office supplies and expenses	0.54	0.52	0.37	0.32	0.29
Professional fees	0.59	0.60	0.40	0.41	0.71
Taxes - business	0.20	0.16	0.06	0.09	0.23
Telephone	0.49	0.44	0.37	0.43	0.34
Other administrative expenses	1.49	1.35	1.12	1.48	0.72
TOTAL ADMINISTRATIVE EXPENSES	10.64	9.50	6.62	6.67	7.67
SELLING EXPENSES					
Salaries - executive	1.38	1.43	0.61	0.60	0.67
Salaries and commissions - salesmen	3.59	3.02	1.98	2.21	0.59
Salaries - sales office clerical	0.54	0.59	0.64	0.45	0.21
Payroll taxes	0.27	0.22	0.19	0.17	0.09
Employee benefits	0.29	0.28	0.25	0.24	0.16
Advertising	0.48	0.42	0.23	0.30	0.32
Travel and entertainment	0.93	0.81	0.61	0.67	0.31
Other selling expenses	0.59	0.57	0.56	0.78	0.33
TOTAL SELLING EXPENSES	8.07	7.34	5.07	5.42	2.68

** Sample insufficient for Profit Leaders.

FINANCIAL		CATALOG AND DIRECTORY		TAG AND LABEL**	PACKAGING	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	ALL FIRMS	PROFIT LEADERS
1.22%	0.93%	3.31%	3.93%	2.11%	1.95%	1.42%
21.79	20.61	17.17	16.28	15.93	16.19	14.69
4.82	5.33	2.03	1.42	4.95	2.07	1.62
0.75	0.61	0.54	0.27	0.55	0.96	0.49
1.71	2.02	1.65	1.47	1.71	1.52	0.58
3.70	4.02	1.10	1.45	3.18	3.20	2.54
33.99	33.52	25.80	24.82	28.43	25.89	21.34
0.23	0.19	0.18	0.31	0.39	0.16	0.17
1.80	1.64	2.71	2.09	2.54	2.28	1.36
0.17	0.03	0.14	0.23	0.35	0.32	0.45
0.18	0.29	0.07	0.06	0.30	0.17	0.01
0.23	0.20	0.45	0.45	0.67	0.25	0.09
1.10	1.12	1.25	0.31	1.22	1.00	0.49
0.89	0.71	1.29	0.82	1.30	1.16	0.97
0.51	0.64	1.02	1.19	0.25	0.16	0.00
5.11	4.82	7.11	5.46	7.02	5.50	3.54
2.48	1.30	1.77	2.70	1.66	1.99	1.57
0.82	0.23	1.39	1.93	0.99	1.66	0.04
1.55	0.79	1.67	1.63	1.38	1.27	1.17
1.54	1.14	0.49	0.26	1.25	1.02	1.06
6.39	3.46	5.32	6.52	5.28	5.94	3.84
11.50	8.28	12.43	11.98	12.30	11.44	7.38
1.87	1.71	2.37	3.24	3.28	2.35	1.82
1.81	1.27	1.68	0.79	2.25	1.94	0.69
0.19	0.14	0.22	0.16	0.51	0.28	0.05
0.42	0.32	0.30	0.15	0.79	0.94	0.60
0.68	1.02	0.32	0.38	0.23	0.34	0.27
0.59	0.40	0.50	0.24	0.48	0.32	0.17
0.77	0.60	0.46	0.31	0.47	0.51	0.22
0.18	0.09	0.10	0.08	0.08	0.10	0.00
0.46	0.43	0.36	0.22	0.46	0.40	0.13
1.60	1.92	1.75	1.41	1.54	1.19	0.66
8.57	7.90	8.06	6.98	10.09	8.37	4.61
0.76	1.53	0.19	0.13	2.01	1.67	0.73
4.77	3.82	1.58	1.32	3.89	2.31	0.71
0.54	0.58	0.60	0.55	0.48	0.72	0.37
0.18	0.15	0.16	0.12	0.23	0.22	0.02
0.46	0.60	0.05	0.05	0.21	0.41	0.18
0.58	0.67	0.14	0.18	0.20	0.32	0.03
0.77	0.71	0.51	0.13	1.03	0.95	0.53
0.77	0.83	0.45	0.34	1.19	0.62	0.31
8.83	8.89	3.68	2.82	9.24	7.22	2.88

ALL PRINTERS BY PRODUCT SPECIALTY

BALANCE SHEET

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL		NEWSPAPER**
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
ASSETS					
CURRENT ASSETS					
Cash	7.29%	10.83%	4.53%	8.75%	5.42%
Receivables	32.71	30.09	28.03	23.84	33.32
Inventories	12.79	11.64	15.95	11.59	12.64
Other current assets	4.52	5.54	4.76	7.52	2.02
TOTAL CURRENT ASSETS	57.31	58.10	53.27	51.70	53.40
FIXED ASSETS					
Real estate	9.02	10.33	14.92	12.59	16.34
Less: Accumulated depreciation	2.58	2.71	4.87	2.94	4.37
	6.44	7.62	10.05	9.65	11.97
Machinery and equipment	62.58	56.10	64.49	60.93	50.98
Less: Accumulated depreciation	33.98	29.45	33.82	28.82	25.98
	28.60	26.65	30.67	32.11	25.00
Other fixed assets	7.08	6.04	4.59	3.67	8.18
Less: Accumulated depreciation	3.63	2.86	2.00	1.62	2.61
	3.45	3.18	2.59	2.05	5.57
NET FIXED ASSETS	38.49	37.45	43.31	43.81	42.54
OTHER ASSETS	4.20	4.45	3.42	4.49	4.06
TOTAL ASSETS	100.00	100.00	100.00	100.00	100.00
LIABILITIES AND EQUITY					
CURRENT LIABILITIES					
Notes payable	8.48	5.56	8.31	4.31	11.47
Accounts payable	14.54	11.40	13.43	8.42	20.01
Other current liabilities	9.48	9.34	10.04	9.16	6.73
TOTAL CURRENT LIABILITIES	32.50	26.30	31.78	21.89	38.21
LONG-TERM LIABILITIES	25.98	20.26	28.20	25.67	25.95
TOTAL LIABILITIES	58.48	46.56	59.98	47.56	64.16
SHAREHOLDERS' AND PROPRIETORS' EQUITY	41.52	53.44	40.02	52.44	35.84
TOTAL LIABILITIES AND EQUITY	100.00	100.00	100.00	100.00	100.00

BALANCE SHEET RATIOS

CURRENT RATIO	1.76	2.21	1.68	2.36	1.40
QUICK RATIO	1.37	1.77	1.17	1.83	1.07
TOTAL LIABILITIES TO EQUITY	1.41	0.87	1.50	0.91	1.79
LONG-TERM LIABILITIES TO EQUITY	0.63	0.38	0.70	0.49	0.72
ACCUMULATED DEPRECIATION - MACHINERY AND EQUIPMENT TO TOTAL MACHINERY AND EQUIPMENT	0.54	0.52	0.52	0.47	0.51

** Sample insufficient for Profit Leaders.

FINANCIAL		CATALOG AND DIRECTORY		TAG AND LABEL**	PACKAGING	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	ALL FIRMS	PROFIT LEADERS
5.23%	16.07%	12.78%	15.20%	3.79%	2.88%	1.50%
33.59	42.62	27.53	29.37	26.41	27.78	26.10
16.58	15.99	13.19	15.88	22.08	29.66	36.73
6.43	2.37	2.98	1.20	5.46	3.77	9.67
61.83	77.05	56.48	61.65	57.74	64.09	74.00
9.51	4.26	13.73	12.15	15.67	10.20	9.75
2.07	2.83	2.61	3.10	3.74	4.80	2.32
7.44	1.43	11.12	9.05	11.93	5.40	7.43
43.94	38.35	45.14	43.21	58.38	58.05	37.96
28.87	24.47	18.91	20.99	36.59	33.33	20.72
15.07	13.88	26.23	22.22	21.79	24.72	17.24
7.72	4.68	3.74	4.13	5.90	6.85	1.07
3.60	2.46	1.93	2.12	2.86	3.20	0.45
4.12	2.22	1.81	2.01	3.04	3.65	0.62
26.63	17.53	39.16	33.28	36.76	33.77	25.29
11.54	5.42	4.36	5.07	5.50	2.14	0.71
100.00	100.00	100.00	100.00	100.00	100.00	100.00
6.60	7.28	3.77	0.03	5.99	7.17	1.17
12.50	8.34	9.49	8.49	9.16	13.71	10.51
11.10	15.02	14.90	13.08	10.46	7.60	14.85
30.20	30.64	28.16	21.60	25.61	28.48	26.53
20.55	8.02	16.75	6.58	25.29	21.84	18.66
50.75	38.66	44.91	28.18	50.90	50.32	45.19
49.25	61.34	55.09	71.82	49.10	49.68	54.81
100.00	100.00	100.00	100.00	100.00	100.00	100.00
2.05	2.51	2.01	2.85	2.25	2.25	2.79
1.50	1.99	1.54	2.12	1.39	1.21	1.40
1.03	0.63	0.82	0.39	1.04	1.01	0.82
0.42	0.13	0.30	0.09	0.52	0.44	0.34
0.66	0.64	0.42	0.49	0.63	0.57	0.55

SIGNIFICANT FACTS

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL		NEWSPAPER**
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
INVESTMENT					
Average assets per employee - All employees	$ 30,708	$ 36,832	$ 34,807	$ 41,888	$ 35,769
Average assets per factory employee (Excluding Executives)	49,302	55,125	43,444	50,091	45,512
Average net worth per employee - All employees	12,686	19,509	14,003	21,524	13,290
Average gross plant investment per factory employee (Excluding Executives)	36,826	37,916	34,263	38,556	31,172
Net worth percentage of fixed assets	149.09%	196.36%	105.64%	134.74%	107.90%
EMPLOYEES					
Percent factory - All employees	73.56%	75.20%	84.68%	86.28%	83.38%
Percent administrative - All employees	15.23	14.37	8.93	7.12	13.44
Percent sales - All employees	11.21	10.43	6.39	6.60	3.18
SALES - VALUE OF PRODUCT PRODUCED INCLUDING EXECUTIVES					
Sales per employee - All employees	$ 59,399	$ 67,257	$ 64,580	$ 67,979	$ 67,534
Sales per factory employee	86,015	91,640	76,865	80,299	82,999
Sales less material per factory employee	53,807	57,728	45,161	50,920	44,553
Sales per administrative employee	496,448	597,246	877,419	1,134,606	681,648
EXCLUDING EXECUTIVES					
Sales per employee - All employees	67,637	76,485	69,467	71,443	72,756
Sales per factory employee	96,247	100,342	80,889	82,723	85,462
Sales less material per factory employee	60,283	63,134	47,422	52,325	45,734
SALES PER SALESMAN	500,722	621,388	2,280,495	2,807,860	1,416,306
SALES TO CURRENT ASSETS	403%	373%	392%	337%	487%
PAYROLL - INCLUDING TAXES AND BENEFITS INCLUDING EXECUTIVES					
Total payroll percentage of sales	40.12%	36.42%	36.16%	34.10%	34.07%
Factory payroll percentage of gross plant investment	86.09	85.29	72.10	60.71	92.61
Payroll per employee - All employees	$ 22,966	$ 23,283	$ 22,688	$ 22,589	$ 21,357
Payroll per factory employee	22,304	21,698	21,179	20,327	20,654
Payroll per administrative employee	26,006	26,376	28,992	35,990	24,322
Payroll per sales employee	31,114	33,761	39,710	42,561	32,023
PAYROLL - EXCLUDING TAXES AND BENEFITS EXCLUDING EXECUTIVES					
Payroll per employee - All employees	$ 18,581	$ 18,786	$ 18,113	$ 17,722	$ 17,799
Payroll per factory employee	19,757	19,002	17,622	16,993	17,866
Payroll per administrative employee	14,306	14,123	15,007	14,469	14,011
Payroll per sales employee	24,641	25,216	32,589	34,825	22,134
EXECUTIVE PAYROLL					
Payroll per executive - All executives	38,812	41,475	43,772	56,477	34,260
Payroll per factory executive	25,148	26,987	32,209	31,171	30,770
Payroll per administrative executive	43,600	46,119	58,707	73,545	36,237
Payroll per sales executive	31,219	36,567	41,980	50,755	28,469
RECEIVABLES					
Collection period	58.5	57.3	53.8	52.9	65.5
PROFIT					
Gross profit percentage of sales	24.39%	28.72%	18.53%	24.45%	15.63%
Average gross profit per factory employee	$ 23,723	$ 27,954	$ 15,003	$ 20,495	$ 14,654
Income before taxes percentage of sales	4.48%	11.89%	5.00%	11.76%	4.47%
Average income before taxes per employee	$ 3,008	$ 8,199	$ 3,435	$ 7,841	$ 3,242

** Sample insufficient for Profit Leaders.

FINANCIAL		CATALOG AND DIRECTORY		TAG AND LABEL**	PACKAGING	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	ALL FIRMS	PROFIT LEADERS
$ 36,780	$ 34,033	$ 39,827	$ 39,558	$ 38,233	$ 28,749	$ 46,375
50,585	52,330	48,876	46,342	57,078	37,312	53,404
20,632	21,854	21,441	30,442	17,497	13,869	23,971
26,279	21,871	33,135	28,351	45,186	26,736	26,460
268.58%	450.21%	277.14%	411.35%	154.03%	160.19%	232.53%
80.28%	79.77%	84.73%	87.85%	73.74%	80.03%	87.46%
11.86	13.77	9.23	7.24	14.71	9.78	6.34
7.86	6.46	6.04	4.91	11.55	10.19	6.20
$ 64,356	$ 66,056	$ 77,476	$ 95,909	$ 63,659	$ 65,993	$ 101,491
83,737	91,136	89,252	106,816	89,302	81,781	115,175
61,768	71,171	48,415	56,922	56,478	45,973	55,279
729,235	857,152	1,105,197	1,569,667	706,126	753,890	1,611,556
69,297	72,641	82,886	103,080	72,717	71,491	106,281
90,643	104,011	93,570	111,997	97,225	85,308	116,724
67,464	82,294	51,274	60,265	61,491	48,035	56,008
599,181	491,667	821,953	1,318,906	452,342	813,992	0
505%	269%	401%	454%	344%	378%	296%
44.99%	43.63%	32.94%	31.34%	42.09%	36.74%	26.49%
124.08	162.75	201.96	277.94	70.15	91.65	98.22
$ 29,379	$ 29,588	$ 20,711	$ 23,508	$ 26,110	$ 23,037	$ 26,330
29,040	31,770	19,559	22,231	23,763	20,540	24,131
26,891	24,506	26,302	30,494	33,143	36,561	55,640
58,623	71,078	31,382	38,417	38,287	32,855	35,700
$ 23,744	$ 23,111	$ 16,228	$ 17,562	$ 19,655	$ 16,450	$ 18,693
23,973	25,916	15,800	16,993	19,262	15,907	18,928
13,600	8,379	12,672	12,051	13,488	15,414	15,007
49,683	54,824	30,691	38,881	34,011	23,826	26,630
41,197	44,249	44,974	48,858	47,254	61,815	95,000
22,697	7,647	36,523	55,333	27,705	60,628	118,000
47,547	41,783	47,981	48,256	55,645	66,580	76,000
29,388	45,750	8,491	2,151	43,444	50,321	27,500
67.6	80.6	49.2	46.0	55.9	45.0	44.1
26.39%	32.39%	22.93%	25.14%	22.94%	20.27%	19.71%
$ 26,093	$ 37,681	$ 20,757	$ 26,017	$ 23,367	$ 17,210	$ 23,139
7.00%	14.66%	9.36%	14.34%	3.09%	3.62%	11.49%
$ 4,628	$ 10,128	$ 8,273	$ 13,302	$ 2,133	$ 3,129	$ 11,940

ALL PRINTERS BY PRODUCT SPECIALTY

RETURN ON INVESTMENT - PER $100 OF SALES

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL		NEWSPAPER**
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
INVESTMENT					
Current Assets:					
Cash	$ 3.60	$ 5.83	$ 2.59	$ 5.27	$ 2.99
Receivables	15.68	15.35	14.29	14.07	17.49
Inventories	6.41	5.78	8.01	6.75	5.94
Marketable securities	0.93	1.58	1.21	3.81	0.44
Other current assets	1.52	1.49	1.58	1.17	0.63
	28.14	30.03	27.68	31.07	27.49
Plant Investment:					
Land and building	6.89	6.10	7.72	7.75	9.35
Machinery and equipment	30.73	28.94	34.08	38.38	24.24
Other fixed assets	3.44	3.16	2.17	1.84	4.49
	41.06	38.20	43.97	47.97	38.08
Non-Current Assets	2.27	2.51	2.33	3.04	2.28
TOTAL INVESTMENT	71.47	70.74	73.98	82.08	67.85
INVESTMENT TURNOVER PER $100 OF SALES	139.92%	141.36%	135.17%	121.83%	147.38%
EARNINGS					
Cost of Product	$75.61	$71.28	$81.47	$75.55	$84.37
Selling Expenses	8.07	7.34	5.07	5.42	2.68
Administrative Expenses	10.64	9.50	6.62	6.67	7.67
	94.32	88.12	93.16	87.64	94.72
Income Before Interest, Other Income (Expense) and Taxes	5.68	11.88	6.84	12.36	5.28
RETURN ON INVESTMENT - INVESTMENT TURNOVER X INCOME	7.95%	16.79%	9.25%	15.06%	7.78%

** Sample insufficient for Profit Leaders.

FINANCIAL		CATALOG AND DIRECTORY		TAG AND LABEL**	PACKAGING	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	ALL FIRMS	PROFIT LEADERS
$ 2.93	$11.26	$ 6.78	$ 6.44	$ 1.90	$ 1.14	$ 0.67
17.38	20.06	13.07	12.24	15.10	12.00	12.05
9.00	8.95	6.24	6.67	11.99	13.03	16.98
0.00	0.00	0.12	0.21	3.20	1.18	4.14
4.31	1.15	1.82	0.30	0.99	0.57	0.19
33.62	41.42	28.03	25.86	33.18	27.92	34.03
6.11	2.58	9.55	5.11	11.60	4.91	4.36
22.78	20.97	25.00	18.44	32.14	25.85	17.48
2.90	2.21	2.00	1.78	2.79	3.06	0.48
31.79	25.76	36.55	25.33	46.53	33.82	22.32
9.23	2.78	2.65	2.21	4.04	0.93	0.32
74.64	69.96	67.23	53.40	83.75	62.67	56.67
133.98%	142.94%	148.74%	187.27%	119.40%	159.57%	176.46%
$73.61	$67.61	$77.07	$74.86	$77.06	$79.73	$80.29
8.83	8.89	3.68	2.82	9.24	7.22	2.88
8.57	7.90	8.06	6.98	10.09	8.37	4.61
91.01	84.40	88.81	84.66	96.39	95.32	87.78
8.99	15.60	11.19	15.34	3.61	4.68	12.22
12.04%	22.30%	16.64%	28.73%	4.31%	7.47%	21.56%

ABSOLUTE DATA

	NUMBER OF PARTICIPATING FIRMS	AVERAGE FIRM REPORTING** TOTAL ASSETS	SALES OR VALUE OF PRODUCTION	TOTAL INCOME
TOTAL - ALL PRINTING FIRMS	944	$ 2,673,000	$ 4,887,000	$ 278,000
TOTAL - PROFIT LEADERS*	238	3,252,000	5,755,000	668,000
ALL PRINTERS BY PRODUCT SPECIALTY				
ALL FIRMS				
Commercial and Advertising	720	1,859,000	3,452,000	182,000
Magazine and Periodical	50	9,911,000	19,097,000	1,278,000
Newspaper	9	5,185,000	9,640,000	502,000
Financial	10	6,220,000	10,875,000	754,000
Catalog and Directory	5	5,507,000	7,377,000	436,000
Tag and Label	42	4,801,000	8,028,000	425,000
Packaging	16	3,993,000	5,473,000	141,000
Book	11	2,652,000	6,379,000	285,000
Business Forms Manufacturers	27	3,341,000	6,563,000	536,000
Other	29	269,000	646,000	59,000
No Predominant Product	25	6,401,000	9,966,000	532,000
PROFIT LEADERS				
Commercial and Advertising	172	2,419,000	4,330,000	503,000
Magazine and Periodical	13	13,645,000	21,843,000	2,460,000
Newspaper	1	1,578,000	2,840,000	360,000
Financial	4	4,906,000	10,379,000	1,760,000
Catalog and Directory	3	1,960,000	4,780,000	677,000
Tag and Label	13	5,578,000	10,175,000	1,026,000
Packaging	2	1,048,000	1,704,000	233,000
Book	2	4,426,000	9,596,000	1,077,000
Business Forms Manufacturers	8	3,299,000	5,874,000	744,000
Other	12	264,000	689,000	116,000
No Predominant Product	8	5,061,000	9,028,000	966,000

* "Profit Leaders" are those firms which earned 8% or greater pretax profits on sales.
** Unlike the ratios shown in this book, these figures are arithmetic averages. See Page 3 for explanatory note.